



Hundredth Legislature - Second Session - 2008
Introducer's Statement of Intent
LB 997

Chairperson: Mike Friend
Committee: Urban Affairs
Date of Hearing: January 29, 2008

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 997 amends the Local Option Municipal Economic Development Act. It increases the amount of funds that a city, village or county can collect from local tax dollars for voter-approved economic development purposes. Current law allows a city, village or county to collect up to four-tenths of one percent of the taxable valuation of their respective political subdivision. LB 997 would increase the allowable collection to **five tenths of one percent** of the taxable valuation.

LB 997 expands the list of eligible economic development programs to include community marketing, private tourism development and workforce retention and attraction. It limits what cities and villages will be allowed to spend on housing projects to 30% of revenue raised over a twelve-month period. It also eliminates a requirement for separate bank accounts for each loan made from the loan fund.

LB 997 does not change the requirement that all economic development programs must be approved by the voters of the political subdivision.

Principal Introducer:

Senator Vickie D. McDonald